



U.S. DEPARTMENT OF ENERGY  
Office of Electricity Delivery and Energy Reliability  
Infrastructure Security and Energy Restoration

# ENERGY ASSURANCE DAILY

Thursday, December 14, 2006

## **Electricity**

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### **High Winds Knock Out Power to About 55,000 Customers in Vancouver and Washington State December 13**

As of 10:30 a.m. this morning, 20,000 B.C. Hydro customers in Vancouver remained without power. Yesterday, high winds knocked out power to 35,000 B.C. Hydro customers. In Washington State the same storm system knocked out power to 13,000 Seattle City Light customers and 5,500 Snohomish County PUD customers. Another storm with high winds is expected to hit the Pacific Northwest tonight.

B.C. Hydro Outage Page: <http://www.bchydro.com/outages/>

[http://www.cknw.com/news/news\\_local.cfm?cat=7428109912&rem=54147&red=80110923aPBIny&wids=410&gi=1&gm=news\\_local.cfm](http://www.cknw.com/news/news_local.cfm?cat=7428109912&rem=54147&red=80110923aPBIny&wids=410&gi=1&gm=news_local.cfm)

[http://seattlepi.nwsource.com/local/295777\\_wind13ww.html](http://seattlepi.nwsource.com/local/295777_wind13ww.html)

[http://heraldnet.com/stories/06/12/13/100loc\\_pud13.cfm](http://heraldnet.com/stories/06/12/13/100loc_pud13.cfm)

### **Exelon's 855 MW Three Mile Island Nuke Plant Shut in Pennsylvania December 13**

Exelon shut the unit at 5:48 p.m. local time on December 13 when a problem was detected with the power grid off site. No local power outages were reported. The cause of the problem is under investigation and the results of the outcome of the investigation will determine when the unit is restarted.

Bloomberg, 12:01 December 14, 2006

Reuters, 06:58 December 14, 2006

### **Duke Energy's 1,300 MW Zimmer Coal-fired Unit in Ohio Shut December 13**

Reuters, 09:20 December 14, 2006

### **NRG's 766 MW Limestone Coal-fired Unit 2 in Texas Shut December 13**

Reuters, 09:20 December 14, 2006

## **Petroleum**

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### **Update: ULSD Outages Persist on Magellan Pipeline System in Midwest**

Petroleum product terminals are continuing to report outages of ultra-low-sulfur diesel (ULSD) at points along the Magellan Pipeline system, which serves markets in the U.S. Mid-continent and Midwest, despite the end of the harvest season and refinery turnarounds. On December 13, OPIS reported that it had learned of outages at 20 rack locations, largely along the northern tier of the Magellan system in North Dakota, South Dakota, Iowa, Minnesota, Kansas, Illinois, Nebraska and Missouri. According to OPIS, some of these locations will have stocks replenished by the weekend, while others will be without supplies for at least one week.

OPIS Alert, December 13, 2006

### **OPEC to Cut Production by 500,000 b/d Beginning in February 2007, Angola Joins Cartel**

OPEC members have approved a cut in production of 500,000 b/d beginning in February 2007. The latest cut will be in addition to the 1.2 million b/d reduction approved in November. In other action, OPEC also accepted Angola as a member. Angola currently produces 1.4 million b/d of oil and will be subject to this latest quota reduction beginning in March.

Bloomberg, 11:16 December 14, 2006

### **Explosion and Fire Hits Imperial's 121,000 b/d Sarnia Refinery in Canada December 14**

An explosion at a hydrocracker occurred about 3:00 a.m. local time. According to company sources, the explosion and fire were contained to the hydrocracker unit. The unit has a capacity of 18,000 b/d and is used in the production of specialty lubricants. The company says that there will be no impact on production. Other units at the refinery, Canada's largest, are said to be operating normally.

Bloomberg, 10:38 December 14, 2006

[http://biz.yahoo.com/rb/061214/refinery\\_explosion\\_unit.html?v=1](http://biz.yahoo.com/rb/061214/refinery_explosion_unit.html?v=1)

### **Chemical Spill at Valero's 295,000 b/d Port Arthur Refinery in Texas December 14**

Valero reported to Texas regulators that a spill of sodium hydroxide occurred at its Port Arthur refinery when a faulty gauge reading resulted in a storage tank being over filled. The company reported that spill has been vacuumed up but did not provide any information on impact to production.

Bloomberg, 11:16 December 14, 2006

### **Update: Sunoco to Expand Philadelphia and Toledo Refineries**

Sunoco announced the expansion of two of its refineries. At the company's 330,000 b/d Philadelphia refinery, an idled hydrocracker will be converted to upgrade between 40,000 and 50,000 b/d of heating oil into cleaner-burning ultra-low sulfur diesel. At the company's 150,000 b/d Toledo, Ohio, refinery, a hydrocracking unit will be expanded by 5,000 to 10,000 b/d by the end of 2008 to add jet kerosene capacity.

Oil Daily, December 14, 2006

### **Enbridge to Add Two Pipelines in Wisconsin**

The Wisconsin Department of Natural Resources approved permits for Enbridge to build two pipelines along a 325-mile stretch from Lake Superior to southern Wisconsin. The pipelines will have the capacity to deliver 146,000 barrels per day of tar sand oil from Alberta, Canada, to refineries in the United States. The pipelines, which will be placed near an existing Enbridge pipe that is buried across the northeast corner of Washburn County, Wisconsin, are expected to be completed in the spring of 2008.

[http://www.spooneradvocate.com/placed/index.php?sect\\_rank=1&story\\_id=228536](http://www.spooneradvocate.com/placed/index.php?sect_rank=1&story_id=228536)

### **Shell Canada Applies to Expand Oil Sands Project in Alberta to 100,000 b/d**

Shell Canada Ltd. filed a regulatory application to expand its oil sands project in Alberta, Canada, from 12,000 barrels per day to 100,000 barrels per day. Shell's long-term goal for the project is to produce 150,000 barrels per day.

<http://www.theglobeandmail.com/servlet/story/RTGAM.20061213.wshell1213/BNStory/Business/home>

## ***Natural Gas***

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### **Update: Colorado Compressor Repairs Cut Transwestern's Capacity by 225 MMcf/d**

Transwestern reports that repairs to a compressor station have reduced capacity on its 2,500-mile pipeline system by 225 million cubic feet of natural gas per day. The compressor is being repaired to fix cooling system problems and is expected to return to service on December 15.

Bloomberg, 09:22 December 14, 2006

### **Kinder Morgan, Energy Transfer Announce Binding Open Season for 1.4 Bcf Midcontinent Express Pipeline**

Kinder Morgan Energy Partners LP and Energy Transfer Partners LP announced a binding open season, from December 13, 2006, until January 15, 2007, for a pipeline joint venture called the Midcontinent Express Pipeline. The pipeline, which will have an initial capacity of 1.4 billion cubic feet per day, will stretch 500 miles from Oklahoma to Alabama, via Louisiana. The pipeline is expected to go into service by February 2009.

<http://www.marketwatch.com/news/story/kinder-morgan-energy-transfer-pipeline/story.aspx?guid=%7B02F206E8-9484-4829-A7FE-F3FFE4F1A81D%7D>

[http://pro.energycentral.com/professional/news/gas/news\\_article.cfm?id=7538969](http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=7538969)

## Other News

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### DHS Teams With Organizations to Protect Systems at Oil and Gas Facilities Against Cyberthreats

The Department of Homeland Security (DHS) has teamed with 13 organizations (including government, industry, research labs, security vendors and process control technology vendors) on a 12-month project, called Linking the Oil and Gas Industry to Improve Cybersecurity (LOGIIC), to protect process control systems at oil and gas facilities in the U.S. against cybersecurity threats. Control networks are now run on standard operating systems and protocols, which leaves them more vulnerable to attacks. LOGIIC focused on two vulnerabilities: securing the system against outside attackers using the Internet, and securing the system from hackers using remote sites to breach physical security. The technologies used in LOGIIC have proven to protect process control networks from attacks during tests.

[http://www.gcn.com/print/25\\_34/42765-1.html](http://www.gcn.com/print/25_34/42765-1.html)

## Energy Prices

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U.S. Oil and Gas Prices December 14, 2006			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	62.48	62.39	60.86
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	7.26	7.61	14.81

Source: Reuters

## Energy Notes

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### Kinder Morgan to Accept 10 ppm ULSD on Specific Pipelines Beginning January 2007

OPIS, 04:25 December 14, 2006

### BP Shipping Announces New Restrictions on Tankers, Limiting The Age and Type of Hull, Beginning January 9, 2007

<http://www.platts.com/Oil/News/8787248.xml?p=Oil/News&sub=Oil>

### High Winds Close North Sea Oil Loading Terminal

Bloomberg, 02:42 December 14, 2006

## Links

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

### ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/index.aspx>.

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